

# DRMI Newsletter

Defense Resources Management Institute, Naval Postgraduate School, Monterey, California

Issue 5

[www.nps.navy.mil/drmi/](http://www.nps.navy.mil/drmi/)

July 1, 2003

## DRMI Activities

DRMI's 2003 Senior International Defense Management Course is in full swing---and at maximum capacity. The 54 participants from 35 countries are making high-level personal connections as they view defense resource management from the top. They will take a four-day trip to Sacramento and San Francisco July 10-13. In Sacramento, they will be briefed by state officials and the National Guard, and during the weekend, they will enjoy San Francisco's cultural offerings.

Eight of this year's SIDMC participants are DRMI alums from previous courses. The returning senior officers and civilians are First Admiral Jasan Alpandi bin Sulaiman of Malaysia (alum of MIDMC 00-6), Captain Bob Thomas Ebua of Cameroon (alum of IDMC 00-1), Major Aivar Lohmus of Estonia (IDMC 01-1), Mr. Ivan Macovsky of Slovakia (IDMC 99-2/MIDMC 01-1), Brigadier General Albert T. Scheffers of Botswana (MIDMC 92-2), Lt General Arnulfo C. Soley of Paraguay (IDMC 93-2), Colonel Graham Kofi Wilberforce of Ghana (MIDMC 92-8) and Col Khalifa Mubarak Al-Klelaifi of Qatar (IDMC 00-1).

Since our last update, DRMI has offered three Spanish language mobile courses in Latin America. The class in Colombia in March included 18 military and 23 civilian participants; June's course in Peru had a similar mix of military (12) and civilian (18) participants. The course in Honduras in May consisted of 33 students from the National Defense College (CDN) and 7 invited guests of the CDN. Military and civilian officials representing all services, the national police, other government agencies, as well as several private citizens attend the CDN.

DRMI representatives attended the annual planning conferences (TPMRs) for the Unified Commands. These are the conferences that do most of the programming for our international participants. Al Polley attended PACOM in Thailand in March; Don Bonsper attended EUCOM in Germany in April and Larry Vaughan attended SOUTHCOM in Miami, FL, in May. CENTCOM was cancelled in April due to the situation in Iraq.

## Future courses

Upcoming course dates are listed at the end of this newsletter. The remaining DRMCs and IDMC in 2003 are currently full, but participants wishing to attend should check for cancellations. Participants may also sign up for 2004 courses. Please contact the Administrative Office (Mary Andrews Rookwood) at 1 831-656-2104 (DSN 756) or send e-mail to Mary at [mandrews@nps.navy.mil](mailto:mandrews@nps.navy.mil) immediately if you wish to attend.

During the next quarter, DRMI will offer three mobile courses. In July, a team will travel to Malaysia to offer a version of our Mobile Defense Management Course that is taught at the Malaysian Armed Forces Defense College as a part of their regular curriculum.

In August, teams will travel to South Africa and Kenya. The course in South Africa will be a senior level regional course with participants coming from South Africa and neighboring countries. The course in Kenya is expected to be taught outside of Nairobi and will involve the class of the Kenyan Defense College plus other invited government officials.

## American Service Member's Act

Although the mobile course schedule is essentially full for the next two years, one possible political problem is the issue of the American Service Member's Protection Act. Provisions of the Act prohibit military assistance to countries that ratified, accepted, approved or acceded to the Rome Statute which created the International Criminal Court. The United States is asking countries to sign bilateral Article 98 agreements, which would allow the continuation of military assistance. Some countries will be granted waivers. The outcome of the signings will be known the first week of July. This issue could have a serious impact on DRMI courses.

## Faculty and Staff News

We are pleased to announce the addition of the following new faculty members to DRMI this summer.



Anke Richter will join the faculty as Associate Professor in August. Dr. Richter received a BA in Mathematics and French from Dartmouth College (1991) and a Ph.D. in Operations Research from Stanford University (1996). Dr. Richter was previously a Director of Health Outcomes at RTI-Health Solutions, RTI International. Her research interests include resource allocation for epidemic control, disease modeling and economic impact assessment, and bio terrorism. She has published in numerous journals. Dr. Richter is a member of the Institute for Operations Research and the Management Sciences (INFORMS) and the International Society for Pharmacoeconomics and Outcomes Research (ISPOR).



John Enns will join the faculty as Senior Lecturer, also in August. Dr. Enns received his BBA (1963) and an MBA (1964) from the University of Michigan and a Ph.D. in Economics from the University of California at Los Angeles (1973). Dr. Enns has worked in the private, as well as the public sector, to include experiences at Hughes Aircraft Co., Rand Corporation and Abt Associates of Washington, DC. Most recently, he was a staff economist in the Office of the Undersecretary for Personnel and Readiness, responsible for manpower analyses of recruiting, retention and personnel management. His major projects have included the military service plans for force reduction, career progression of military officers, and the 9th Quadrennial Review of Military Compensation.



Joining us as a lecturer is July is CDR Kevin J. Maher, SC, USN. CDR Maher earned a BA in Mathematics (1975) from Western Michigan University and an MS in Operations Research from the Naval Postgraduate School (1993). In addition to three seagoing assignments on surface combatants, his experience includes operations research, inventory models, contracting, and inventory control. CDR Maher

was also a Military Instructor at the Naval Supply Corps School in Athens, GA. He has recently taught courses in probability and statistics, inventory, logistics, and operations research at the Naval Postgraduate School.



June was the month in which we said farewell to CDR Steve Standrowicz, USN. Steve is retiring from the Navy and moving on with his family to other opportunities. Steve is greatly appreciated for his hard work and dedication to DRMI for over three years and the extra effort he put into every aspect of his work. He will be sorely missed.



Another well-known and well-loved name at DRMI will also be heard less. Mary Andrews, DRMI's Administrative Officer, who was honored in January as an Outstanding International Military Student Officer of the Navy, had an even happier ceremony on March 29, 2003, when she married Jim Rookwood. Mary Rookwood will continue to, in Executive Director C.J. LaCivita's words, "Keep the trains running on time around here".

In other good news, Robert and Amy McNab's first child, William Robert (called Billy), was born April 4, and Natalie Webb's second son, Jonathan Anders (called Anders), was born April 12. Both families are happy and healthy.

## Faculty Research and Conference Presentations



On April 17, Bob McNab was recognized for his research achievements at this year's Research Recognition Evening. Assistant Professor McNab's output of peer-reviewed articles shows remarkable consistency and an expanding depth of knowledge in a broad spectrum of subject areas. In 2002, he had

articles in press at Monetary Studies, Business and Economic Review, World Development, Public Budgeting and Finance, and Public Finance and Management. These five papers are in addition to his previous contributions to the literature. His research topics are timely and of special interest to the US Government and the Naval Postgraduate School: the prospects for performance budgeting in the federal government, how fiscal decentralization affects economic growth, and the relationship between international aid and governance and economic growth. His written contributions to the literature on aid, corruption and governance have been incorporated into his lectures at DRMI. Professor McNab's work is highly relevant to public finance and budgeting in transitional economies and well-aligned with the Institute's interests in resources management and international involvement. The health of developing and transitional economies is directly relevant to the management of their defense resources



Francois Melese participated in the NATO/EAPC Meetings on The Better Management of Defense Resources in the New Security Environment, 6-9 April 2003, in Budapest, Hungary. EAPC stands for the Euro-Atlantic Partnership Council which includes all 19

NATO member countries plus the 27 Partnership for Peace (PFP) countries. Dr. Melese gave a keynote address entitled "US Federal Performance Budgeting Reform and DoD's Commitment to Resource Based Accounting". Other lectures by Dr. Melese were "The Implications of Resource Based Accounting for the Acquisition, Dissemination and Sharing of Budgetary Data" and "Leveraging the Balanced Scorecard, Activity-Based Costing, and PPBS to Support Resource Based Accounting and Management". Dr. Melese also participated in a workshop following the meetings designed for NATO countries to share their budgeting and management practices with Partnership for Peace countries, those countries aspiring to become NATO members.

## NPS News

On June 19, the Naval Postgraduate School graduated its first class in the new defense-

focused master's of business administration (MBA) program. As reported in The Monterey Herald, thirty-two U.S. officers and 12 international students graduated, from many Eastern European countries, as well as Turkey and Thailand. The keynote speaker was John Kao, entrepreneur and author of "Jamming: The Art and Discipline of Business Creativity," who made parallels between business competition and the war on terrorism.

A current DRMI SIDMC participant, Moses B. Khanyile of South Africa, and a DRMI alum, Gustavo Sibilla of Argentina, were also in the news for their participation in the Executive Program at the Center for Civil-Military Relations. ("A meeting of the minds at NPS", The Monterey Herald, Kevin Howe, June 22, 2003)

## Big Changes for the PPB System

On May 22, the Deputy Secretary of Defense signed a directive (MID 913) that makes fundamental changes to the U.S. PPB system. The new system, known as PPBE ( Planning, Programming, Budgeting and Execution ), will be organized around a two-year cycle that will reduce the amount of time resource managers spend in planning and programming and increase the time devoted to program performance (execution reviews) and analysis.

The first two-year cycle (FY 06/07) will begin next year. Calendar highlights for the 2004 schedule include:

- May: OSD issues the Defense Planning Guidance (DPG)
- Aug: Services/Agencies propose programs and budgets for FY 06- 11FYDP
- Sep-Dec: OSD reviews FY 04 budget execution and FY 06/07 program proposals
- Oct: FY 05 begins
- Dec: FY 06 program and budget finalized for President's FY 06 Budget

For calendar year 2005 (the off-year of the two-year cycle):

- May: OSD issues minor DPG

- Aug: Services propose minor changes to approved FY 07 program
- Sep-Dec: OSD reviews FY 05 execution and FY 07 program change proposals (PCP).
- Dec: FY 07 adjustments completed and FY 07 DoD budget finalized for President's FY 07 budget

## Updates from Past Participants

We recently heard from LTC Mendee, IDMC 98-2, who is now stationed in Tampa, FL, working as a liaison officer for Operation Iraqi Freedom. He faxed us his regards and gave us an update on other participants from Mongolia. Former Deputy Defense Minister Tsevegsuren Togoo, SIDMC 02, has been promoted to Major General and is now the Chief of the General Staff of the Mongolian Armed Forces. Dr. Ravdan Bold, IDMC 94-2, former Secretary of the National Security Council of Mongolia, is the Plenipotentiary Ambassador to the United States. COL Gur Ragchaa, IDMC 94-1, is the Deputy Chief of the General Staff of the Mongolian Armed Forces and Chief of the Peacekeeping Operations Department. Colonel Bayar Batzorig, IDMC 97-2, is the Defense Attached to the United States. LTC Donrov Ganbaatar, IDMC 99-2, is working as the Senior Officer of the Foreign Relations Department of the Ministry of Defense. HE Rashmaa Gavaa, IDMC 99-1, is still serving in the Parliament and is a member of the Standing Committee on Security and Foreign Policy.

## Future Courses

Defense Resources Management Course (four-week DRMC):

DRMC 03-4	21 Jul - 14 Aug 2003
DRMC 03-5	18 Aug - 12 Sep 2003
DRMC 04-1	5 Jan - 30 Jan 2004
DRMC 04-2	19 Apr - 13 May 2004
DRMC 04-3	21 Jun - 16 July 2004
DRMC 04-4	19 Jul - 12 Aug 2004
DRMC 04-5	16 Aug - 10 Sep 2004

Please contact Mary Andrews at (831) 656-2104 or [mandrews@nps.navy.mil](mailto:mandrews@nps.navy.mil) for quota and enrollment information.

International Defense Management Course (eleven-week IDMC):

IDMC 03-2	22 Sep - 5 Dec 2003
IDMC 04-1	2 Feb - 14 Apr 2003
IDMC 04-2	20 Sep - 3 Dec 2004

35th annual Senior International Defense Management Course (four-week SIDMC)

SIDMC 2004 21 Jun - 16 Jul 2004

For additional information contact Don Bonsper at (831) 656-2224 or e-mail [dbonsper@nps.navy.mil](mailto:dbonsper@nps.navy.mil)



The DRMI Newsletter is published quarterly by the Defense Resources Management Institute. Questions regarding content or the submission of proposed articles should be directed to the Newsletter Editor, DRMI 64We, 1522 Cunningham Rd, Monterey, CA 93943.